

House Study Bill 666 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
ECONOMIC GROWTH BILL BY
CHAIRPERSON THOMAS)

A BILL FOR

1 An Act relating to the Iowa finance authority by modifying
2 certain duties and programs of the authority and
3 establishing a workforce housing assistance grant fund
4 administered by the authority.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 16.100A, subsection 6, paragraph d, Code
2 Supplement 2009, is amended to read as follows:

3 d. General public members shall be reimbursed by the Iowa
4 finance authority for actual and necessary expenses incurred
5 while engaged in their official duties. ~~Expense payments shall~~
6 ~~be made from appropriations made for purposes of this section.~~

7 Sec. 2. Section 16.181, subsection 1, paragraph a, Code
8 Supplement 2009, is amended to read as follows:

9 a. A housing trust fund is created within the authority.
10 The moneys in the housing trust fund are annually appropriated
11 to the authority to be used for the development and
12 preservation of affordable housing for low-income people in
13 the state and for the Iowa mortgage help initiative. Payment
14 of interest, recaptures of awards, or other repayments
15 to the housing trust fund shall be deposited in the fund.
16 Notwithstanding section 12C.7, interest or earnings on moneys
17 in the housing trust fund or appropriated to the fund shall
18 be credited to the fund. Notwithstanding section 8.33,
19 unencumbered and unobligated moneys remaining in the fund
20 at the close of each fiscal year shall not revert but shall
21 remain available for expenditure for the same purposes in the
22 succeeding fiscal year.

23 Sec. 3. NEW SECTION. **16.188 Workforce housing assistance**
24 **grant fund.**

25 1. A workforce housing assistance grant fund is created
26 under the authority of the Iowa finance authority. The fund
27 shall consist of appropriations made to the fund. The fund
28 shall be separate from the general fund of the state and the
29 balance in the fund shall not be considered part of the balance
30 of the general fund of the state. However, the fund shall be
31 considered a special account for the purposes of section 8.53,
32 relating to generally accepted accounting principles.

33 2. Notwithstanding section 12C.7, subsection 2, interest or
34 earnings on moneys in the fund shall be credited to the fund.

35 3. a. Moneys in the fund in a fiscal year may be used

1 for grants for projects that create workforce housing or for
2 projects that include adaptive reuse of buildings for workforce
3 housing. For purposes of this section, "workforce housing"
4 means housing that is affordable for a household whose income
5 does not exceed one hundred twenty percent of the median income
6 for the area.

7 *b.* Priority shall be given to the following types of
8 projects:

9 (1) Projects that are eligible for historic preservation
10 and cultural and entertainment district tax credits under
11 section 404A.1.

12 (2) Projects for the construction of new single-family
13 dwellings that incorporate one or more energy-efficient
14 measures. The authority shall by rule identify the types of
15 energy-efficient measures that will qualify a project for
16 priority under this subparagraph.

17 (3) Projects that utilize new markets tax credits,
18 established under the federal Community Renewal Tax Relief Act
19 of 2000, Pub. L. No. 106-554, 114 Stat. 2763A, and undertaken
20 by a qualified community development entity, as defined in the
21 federal Act.

22 (4) Projects that are located in an area where other state
23 funding has been used to support the creation of new jobs.

24 4. Annually, on or before January 15 of each year, the
25 authority shall report to the legislative services agency and
26 the department of management the status of all projects that
27 received moneys from the workforce housing assistance grant
28 fund. The report shall include a description of each project,
29 the progress of work completed, the total estimated cost of
30 each project, a list of all revenue sources being used to fund
31 each project, the amount of funds expended, the amount of
32 funds obligated, and the date each project was completed or an
33 estimated completion date of each project, where applicable.

34 5. Payment of moneys from appropriations from the fund shall
35 be made in a manner that does not adversely affect the tax

1 exempt status of any outstanding bonds issued by the treasurer
2 of state pursuant to section 12.87.

3 6. The authority shall adopt rules pursuant to chapter 17A
4 to administer this section.

5

EXPLANATION

6 This bill modifies certain funding duties and programs of
7 the Iowa finance authority and establishes a workforce housing
8 assistance grant fund.

9 The bill strikes a provision that requires expense payments
10 for general public members of the council on homelessness to
11 be made from state general fund appropriations. The bill
12 specifies that such expenses must be reimbursed by the Iowa
13 finance authority.

14 The bill also amends Code section 16.181 by authorizing the
15 Iowa finance authority to use moneys in the housing trust fund
16 for the Iowa mortgage help initiative. The Iowa mortgage help
17 initiative is a program that provides foreclosure prevention
18 assistance and counseling and includes the Iowa mortgage help
19 hotline.

20 The bill creates a new workforce housing assistance grant
21 fund under the Iowa finance authority for purposes of providing
22 financial assistance to certain workforce housing projects, as
23 defined in the bill. The bill identifies types of projects for
24 which priority must be given. The fund consists of the moneys
25 appropriated to it by the general assembly and is separate and
26 distinct from the general fund of the state. Interest and
27 earnings on moneys in the fund are credited to the fund.